

LIBYA THREATENED WITH DISINTEGRATION

I. Libya's Internal Condition Essentially Weak:

- A. Libyan unity, established by UN, threatened by Cyrenaican separatism.
- B. People illiterate, economically impoverished and politically immature.
- C. Libya largely dependent on British financial assistance.
- D. Lacks capable administrators.
- E. Libya has, however, a capable pro-Western prime minister, Mahmoud Muntasser.

II. Libya's Problems:


- A. Its essential weakness naturally generates serious political, economic and administrative problems.
- B. To these are added pressing problems in foreign affairs.
  - 1. Egyptian efforts to influence Libya.
  - 2. Italian interest in a treaty disposing of Italian property.
  - 3. British and French military base agreements.
  - 4. British and French interest in Libya's disintegration.
  - 5. US interest in base agreement.

III. American Stake in Libya:

- A. US has been unable to get an agreement regularizing use of Wheelus Field outside Tripoli.
- B. This is attributable mainly to Libyan concern for sovereignty and money.

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- 1. US wants Libya to continue in existence.
  - 2. Conflict between prime minister and king, threatening Libya's existence, reportedly resolved.
    - a. Compromise provides for elimination of British influence and substitution of American base negotiations for current ones with Britain.
    - b. Such a compromise, if made, not likely to end royal interference and could generate Anglo-American friction.

IV. Role of Egypt in This Situation:

- A. Seeking a pre-eminent position in Libya, Egypt extending its influence over king and his advisers, sending teachers to the Libyan schools, and offering financial assistance to the country.

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- B. More ominous, Cairo reportedly financing terrorist cells in order to forestall Libyan parliament approval of base agreements with West.

V. Conclusion:

- A. Growing Egyptian influence in Libya draws it away from the West.
- B. This influence, adding to disintegrating tendencies at work in Libya, poses another Arab-Western problem.
- C. These developments serve neither American military and political objectives nor UN's moral and political stake in a free Libya.
- D. Libya likely to fall apart or become imbued with anti-Western sentiments.

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